GOVERNMENT OF INDIA
PERSONNEL,PUBLIC GRIEVANCES AND PENSIONS
LOK SABHA

UNSTARRED QUESTION NO:5614
ANSWERED ON:29.08.2001
KENDRIYA BHANDAR
SHEESH RAM SINGH RAVI

Will the Minister of PERSONNEL,PUBLIC GRIEVANCES AND PENSIONS be pleased to state:

to the answer given to USQ No. 4719 dated April 18, 2001 regarding higher rates in Kendriya Bhandar wherein it has been stated in (iii) of part

(a) that Kendriya Bhandar obtains an undertaking from its suppliers that they will not sell the items at a price lower than quoted to Kendriya Bhandar:

(a) the reasons why suppliers have been de-registered on the ground of charging higher rates than the market rates-the suppliers have supplied the items at the rates approved by the Kendriya Bhandar;

(b) whether in the directory on Stores on Rate Contract 2000, DGS&D has in the Preface to sub-para 5 has made it incumbent on Government departments to obtain their requirement only through rate contract wherever available; and

(c) if so, why has the Kendriya Bhandar has been purchasing tubelights and bulbs of Philips brand at higher rates than the DGS&D rate contract-Philips brand tubelight and bulbs being on the DGS&D rate contract?

Answer

THE MINISTER OF STATE OF THE MINISTRY OF SMALL SCALE INDUSTRIES, AGRO AND RURAL INDUSTRIES, MINISTER STATE IN THE DEPARTMENT OF PERSONNEL AND TRAINING, DEPARTMENT OF PENSIONS AND PENSIONERS WE OF THE MINISTRY OF PERSONNEL, PUBLIC GRIEVANCES AND PENSIONS AND MINISTER OF STATE II DEPARTMENTS OF ATOMIC ENERGY AND SPACE. (SMT.VASUNDHARA RAJE)

(a): Kendriya Bhandar approved the competitive rates of the item being supplied by the suppliers. At the same time an undertaking is taken from suppliers that they shall not supply/quote the rates lower to any other customers than the rates offered to Kendriya Bhandar. Some suppliers violated the terms of the undertaking and hence they were de-registered.

(b): Yes, Sir.

(c): Wherever DGS&D have entered into rate contract, Kendriya Bhandar insist on the suppliers on matching the same price and a small margin is added to meet Kendriya Bhandar`s overhead expenses for maintenance of its office and employees` wages etc. which is not in the case of DGS&D. Further Kendriya Bhandar usually stocks more than one brand and supplies the brand as preferred by the consumers. If the consumer does not give any preference, the lower cost brand is supplied.